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. . . . The 57th meeting of the CIA RETIREMENT

BOARD convened at 2:00 p.m. on Tuesday, 28 March 1967, with the following present:

Mr. Emmett D. Echols, Chairman

25X1A9a



Mr. Alan M. Warfield, DDS Member

25X1A9a



MR. ECHOLS: Shall we convene the meeting and

tackle the Minutes of the last meeting? I'd like to say, re item 5, the

25X1A9a Director approved [REDACTED] extension, as recommended.

Are there any additions or corrections to the

Minutes? (No response.) If not, we will accept them as presented.

Gerry, was there any discussion or backwash on

item 6 in the Minutes?

25X1A9a



Not as yet. There may be -- but not as yet.

MR. ECHOLS: Okay, then we will go to the next item on

the agenda, which I believe is the review of cases. In the first group

are those who have completed 15 years of service -- seven individuals.

25X1A9a



I move we offer them an election.

second.

. . . . This motion was then passed . . . .

MR. ECHOLS: In group B are those who have five years

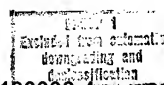
of service and appear to meet all of the basic criteria.

25X1A9a



I move we designate them.

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25X1A9a [REDACTED] Support it.

. . . . This motion was then passed . . . .

MR. ECHOLS: We now have four applications for voluntary retirement, which in every case has been endorsed by the Head of the Career Service, and they all have performed the requisite 60 months.

MR. WARFIELD: Just look at the language qualifications

25X1A9a of [REDACTED]

MR. ECHOLS: If you're interested in what he's going

25X1A9a to do, [REDACTED] has completed employment applications for the Guggenheim Foundation, the Carnegie Foundation, and the International Rescue Committee.

Is any discussion desired on these four individuals?

25X1A9a

[REDACTED] Just as an interesting note here, one of

25X1A9a these people - [REDACTED] - gets credit for service [REDACTED] 25X1A6a

You don't see that very often. As well as [REDACTED] 25X1A6a

MR. ECHOLS: Any other discussion desired on these four?

25X1A9a

[REDACTED] I move their requests be accepted.  
[REDACTED] Second.

. . . . This motion was then passed . . . .

MR. ECHOLS: On the open agenda we may have two items --

25X1A9a [REDACTED] I have one, too. On the [REDACTED] 25X1A9a

case, we sort of caught her in mid-flight, and I want to send out a cable to her clarifying the thing. There have been a whole batch of messages, none of which have been very clear. I just want to make sure that in sending this cable I'm expressing the consensus of this Board. So do you want to consider this now?

25X1A9a MR. ECHOLS: Surely. [REDACTED]

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years and under the other she also worked an additional two years.

25X1A9a [REDACTED] Well, you could say at age 62 in each case -- if you just put "at age 62" it would be all right.

MR. ECHOLS: Yes, at age 62.

25X1A9a [REDACTED] There is certainly sort of a message in here that I gather you mean to convey, and that is that one way or another you are going to probably retain her until 62.

25X1A9a [REDACTED] Well, you see, we were about to put her back into the Civil Service Retirement System here, and at that meeting I said - well, let me look at it -- in view of the fact that it will cost us probably hundreds or thousands of dollars to switch her back, I said I'd take a look at it and see if we had a critical job for her so that she could stay in the CIA System -- I mean, in the long run it's going to be cheaper for us to do it that way. But if you feel that she should go back to Civil Service, why back she goes.

MR. ECHOLS: Unless you get prior approval from the Director to extend her under the Agency System, she would be taking a calculated risk, right?

25X1A9a [REDACTED] Sure -- but I have said that there are two possibilities open to her -- it's in the 1st paragraph there -- and frankly, if she does accept the Saigon thing, to go out there, I can't really see where the Director would turn her down.

MR. ECHOLS: No, as long as her health is up to it.

25X1A9a [REDACTED] Are there medical problems?

No, there are none.

MR. ECHOLS: Well, I think this is a good explanation to her of the problem.

25X1A9a [REDACTED] Okay, if it was a clear-cut Saigon I don't think there would be any question about it, but there must be a question in her mind - "Well, what other place--

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tougher then for him to get employment, and he will be as needful of it as he is today. But I don't see any alternative. I've gone over the correspondence that he submitted concerning his contacts with a number of companies. He had every reason to expect that they would give him all the consideration possible, because he had in fact dealt with these officials during the course of his present employment, and the tenor of the response was - "We would love to help you, but I've got employees of my own that are in precisely your situation that I'm trying to relocate in somebody else's company because of our own company policy."

I think the second point I would make here is that in many cases a Career Service is lukewarm or negative about retaining a man, because of his present and prospective performance. In this case they are enthusiastic about keeping him, because of his performance and the prospective use of his services, for the indefinite future.

So I would certainly hope the Board could go along and give this man at least a one year extension, but I wouldn't want it done on the understanding that this would necessarily solve his problem.

25X1A9a

[REDACTED] May I add to what Paul has said? In the past in these cases -- I sat on that Board, too, and we had a lot of them in the seven years that I sat on that Board--

25X1A9a

[REDACTED] What Board is this?  
The Agency Board for Civil Service retirement.

Normally in a case like this they would attach for the benefit of the members of the Board the places that he went to and made an effort to try to find employment. Now that shows good faith on his part. And generally there is a statement giving a comparison of his assets with his liabilities. In this case Harry just had two operations very recently -- which I think might have been important had there been attached some statement of his assets and liabilities, so to speak, without getting down to the nuts and

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bolts of his liabilities and assets -- but it would help the Board a little more to arrive at a conclusion that this is truly a hardship case.

In view of the approaches that the Board has made over the years, I vote that we extend him for another year. But I would like to add that I'd like to see these other papers attached when a case comes forward again.

25X1A9a [REDACTED] I don't know how long it would take to get those papers, but what I received was precisely for that purpose.

25X1A9a [REDACTED] I have those papers here.  
[REDACTED] I agree, Mike, I'm all for giving him the extension -- I vote for that -- but I do wonder, because we're going to be faced with many of these cases, I would assume, both CIA retirement at age 60 and 62--

25X1A9a [REDACTED] More when the new policy comes in.  
[REDACTED] Yes, there are going to be many who will say - "I would like to go on for another year or two." You must get into a lot of detail to decide when it's a hardship or not a hardship case.

25X1A9a [REDACTED] His is a \$9,000.00 retirement income.  
We have taken into consideration over the years the ages of the children -- that sort of thing -- but there's none of that here, except there's a statement here about his young children. But I think it would have made it an easier case to pass on, for the members of this Board, had these other papers been attached. I'd have to study these papers you just gave me.

25X1A9a [REDACTED] I personally don't feel that it has to rest on the basis of hardship. If his Deputy Director says that he is capable of continuing in service and is a valuable man, it seems to me that that is enough.

25X1A9a [REDACTED] Would you feel the same way under the CIA Retirement System? Either way?

25X1A9a [REDACTED] Yes.

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25X1A9a [REDACTED] You seem to be quite liberal about letting a guy get out early if he wants to, or letting him stay later--

25X1A9a [REDACTED] There have been no guidelines given to this Board, but the guidelines used by the other Board specifically calls for the consideration of hardship. But other things are taken into consideration. Paul has said definitely that this man can be kept gainfully employed -- that is fine -- but just to say that he could be kept gainfully employed, if there did not exist a true hardship case that Board had no right to look at it. In those cases, if that were so, it would never go before the Board if the Head of the Career Service desired to retain him for another year -- it would never go before the Agency Retirement Board.

25X1A9a [REDACTED] You say if the Head of the Career Service wanted to keep him, it would never have reached the Board--

25X1A9a [REDACTED] Then this is strictly a hardship case -- nothing else. But under the new policy can we operate that way? It has to come forward if "mandatory" means anything.

25X1A9a [REDACTED] It was mandatory at 62 before. I don't see where there is a difference.

MR. ECHOLS: The guideline of the original CIA Board was compassion, exclusively. The need for his services was with the DD concerned - correct? You only saw or heard cases where there were compassionate arguments--

25X1A9a [REDACTED] That is right.

MR. ECHOLS: That was the only basis--

25X1A9a [REDACTED] That was the only basis it came forward. Suppose you had a compassionate case but the Head of the Career Service said - "I don't want him" -- would you go contrary to him?

25X1A9a [REDACTED] Yes, we have. The only thing where

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we ourselves have looked around was to see if he could be kept gainfully employed somewhere else.

25X1A9a

[REDACTED] Was this considered by the DD/I?

[REDACTED] Yes.

[REDACTED] And refused?

[REDACTED] No, I think what we looked at, Gerry, was this. Just because he can be kept gainfully employed isn't enough -- because you have so many cases of that kind that you in fact nullify the policy on the books. So what you need to do is you either have it on hardship or have an operational situation that is so clear that it could be easily explained and accepted by the man you turn down. For example, if you had an exotic language capability, and you tried to hire a fellow and he wasn't going to be able to come for six months -- well, we would have to keep this man on for six months. Things like that.

MR. WARFIELD: Where you are not blocking anybody's career progression --

25X1A9a

[REDACTED] That's right, but there again this usually has a compassionate coloration to it. If you have to go out and hire somebody to replace a person -- or you're putting somebody out that has a fairly low income -- this is all taken into consideration. The term hardship has to be in quotes -- "compassion" is a better word for it.

But we were taking and have taken a fairly hard line in terms of justifying exceptions, and this is as a result - in the last three years - of my repeatedly having checked with Kirk and Col. White, and others, as to whether or not this applied to the DD/I, the way the letter said -- even though when the policy was first on the books it was clear that we had to have a uniform Agency policy but there would be a liberal interpretation of it as far as the DD/I was concerned, we no longer so interpret it.

25X1A9a

[REDACTED] Will the new Regulation give any stronger language let's say in support of the policy, than what now exists?

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MR. ECHOLS: Well, we will be confronted with both types of situations, and possibly a case with a touch of both--

25X1A9a [REDACTED] Does it start out, "It is Agency policy that people will retire at age 60" ?

MR. ECHOLS: I think it has to start out with the premise that our basic policy is positive: you will be expected to retire. And then you have the alleviation of that for unusual and extraordinary circumstances.

25X1A9a [REDACTED] Well, I agree with that in general but I think you've got an awful lot of educating of the troops to do here in the Agency before you apply that strictly -- I mean so that people fully understand and comprehend it. And it just seems to me that if you have a man like this, if the Deputy Director can honestly say - "We have a job and this guy can fill it for the next year just as well as anybody else" - I don't think it has to be put on a compassionate basis to approve it.

MR. ECHOLS: Gerry, one of the critical problems in the Agency, which is being studied right now, is that of blockages in career progression -- the Agency is very concerned about it -- and one of the causes of blockages, of course, is an individual that stays in his position beyond retirement age. We can't have our problems on all sides go in all directions.

25X1A9a [REDACTED] Well, there's no question about that -- it's a very, very complicated problem. But this fellow [REDACTED] has 25X1A9a worked about 20 years and I think he deserves some consideration, too, and not necessarily on a compassionate basis. It seems to me that there's something just a little bit humiliating to a guy who has worked 20 years to tell him: "Now you come in on your hands and knees and maybe we will let you stay another year."

25X1A9a [REDACTED] But he has had five years' notice for planning--

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MR. WARFIELD: He has had five years in which to give two weeks' notice and walk off to another job. Of course, with those young kids he really has no alternative -- he can't stay [REDACTED] 25X1A6a

25X1A9a [REDACTED] He hasn't been able to find another job.

MR. ECHOLS: I think he should look at this thing not in terms of finding another job that is equal to his present one. The man who goes out of here with a \$9,000.00 annuity, if he were to work and make another \$9,000.00 he would be back up to his \$18,000.00. I'm not so impressed about the financial hardship in this case as I am by the fact that the man has worked hard to get another job and has as yet not made a connection.

25X1A9a [REDACTED] That's where Mike's point may come in -- he may have been asking for \$20,000.00.

MR. ECHOLS: No, I think there is some evidence that he offered to work for half pay.

25X1A9a [REDACTED] Let me just say this. I just assumed when these functions were passed on to this Board that without anything else in writing the guidelines that were in the Headquarters Regulation that created the other Board would continue to be our guidelines. Now if that is not true then I think we ought to spend some time, if we have that authority, deciding what the guidelines are going to be -- but in the absence of other guidelines I think we have nothing but the Headquarters Regulation guidelines to go by.

Now in the early stages after the creation of the other Board -- and this was even before I got on it -- the Board was very lenient, as I got the picture from Larry Houston. As a matter of fact, the DD/P was about the only one that was insistent that they had to retire at age 62 -- not the only one, but most of the cases came from the DD/P. The other Directorates just said they wanted to keep these men -- I mean, for instance, the DD/I said - "Boy! when a man is 62 that is when he really knows his stuff

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around our shop, and we're not going to put him in for retirement." So those cases never came up. Well, about four or five years ago when the T/O's got tight and they started to cut the T/O's then the other Directorates started to get tougher, and they started, too, to put people in at this point, saying - "Well, he will have to go before the Retirement Board. I can keep him gainfully employed but I can't say that he is indispensable - therefore, let his case go before the Retirement Board to see if it's a compassionate case, a case of hardship here."

25X1A9a [REDACTED] The Executive Director issued an action memorandum stating we had to strictly comply with the Regulation.

25X1A9a [REDACTED] That's right.

Now then, in the early days, as I say, a person would come forward and the Board would look at his case and they would say - "Give him three years." Then they started to cut this period down. But the Board did everything it possibly could to equalize the situation -- they didn't want to say to one person - "We'll give you one year and three months" - when they had given someone else three years. So little by little they started to cut down the period of extension beyond 62, until they got it down to about a year -- and now, actually, in the last seven or eight months -- as you will recall, Paul -- it has been a six months extension to an individual. But in each case they insisted upon some evidence of the fact that not only the Outplacement Office but the individual himself was making an effort to find a job on the outside. So they would extend him for a six month period and ask him to come in and report to the Secretary of the Board what progress he was making and to give evidence of the fact that he was making some effort on the outside to seek outside employment.

Now you will notice that [REDACTED] himself here 25X1A9a didn't ask for one year, he asked for as long as possible -- but it was the

25X1A9a recommendation of [REDACTED], I think, that he be extended one year.

25X1A9a [REDACTED]: I want to comment on a couple of things you

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said. In the first place, if we're going to follow guidelines here I think they ought to be submitted to this Board for approval. I don't think this Board is bound by the previous ones. We may adopt them -- but let's look them over and discuss them.

25X1A9a

Secondly, in this particular case [REDACTED] I don't see any real indication that the DD/I has considered this case at all. In other words, my reason for saying that is that I think the fewer of these cases this Board has to settle, the better. In other words, I don't think that this just ought to be bucked to this Board for decision due to failure of the DD/I to really consider it and make a discriminative decision in the first place. Maybe he has, but there's no indication here in these papers that he has.

25X1A9a

[REDACTED] Well, it has been considered -- the DD/I's position on this was relayed to me by the DD/I Admin Officer. But I think what is not clear and what we need to clarify is whether or not the Deputies in fact have an option to extend, under present Agency policy, or whether they have a task to make a recommendation for the Board to consider. I believe the latter is more equitable, considering the cases across the face of the Agency and the period into which we're going, where we're going to have to be more strict in view of the policy.

MR. ECHOLS: I think, in retrospect, that I have made an erroneous move here. I've drafted and sent forward proposed changes in the Regulation, but I think probably it would have been better had this Board first developed a policy paper, if you will, that we think is our mandate -- and when we have worked that up and looked at it to see what comments or observations we have, then I think that policy paper should in fact go forward topside and be validated: Yes, indeed, this is the policy that I want enforced, and these are the limits of your consideration here. Then and only then do we have really firm topside guidance for this kind of a matter. How do

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you feel about that? Now I realize you people haven't seen the Regulation that has been drafted up. Of course, we only lifted what we thought was the existing policy in effect, but that wasn't very specific.

25X1A9a [REDACTED] What is the Regulation you have drafted?

MR. ECHOLS: A change in the current Agency Regulation to, (1) abolish the old Board, formally, (2) transfer the responsibilities which we thought the old Board had to this Board, and (3) the old authority to a DD to extend, on a need basis, if you will, anybody that he wanted to under the Civil Service System -- and it's my understanding that they want this Board, at the very least, to make recommendations, but I don't know--

25X1A9a [REDACTED]: But you're saying that prior to this time the DD's, under Civil Service, could give an extension without referring to the Board--

MR. ECHOLS: On the need basis, not on the compassionate basis.

25X1A9a [REDACTED] But under the new Regulation you're saying--

MR. ECHOLS: Both things would be--

25X1A9a [REDACTED] I don't agree with that, in the first place, because I really think decisions of this kind -- I mean, I think this Board should lay down the <sup>general</sup> policy but I think the decisions really ought to be made at the lowest level in the chain of command possible.

MR. ECHOLS: Well, as I understood my instructions the decisions would be made at the Director's level.

25X1A9a [REDACTED] You know, the Director just can't make every decision in this Agency and still live -- and give it consideration -- I mean, that's the whole thing that leads to the proliferation of boards and committees and everything else - they're all trying to serve the Director making the final decision.

25X1A9a [REDACTED] Well, I'm afraid, Emmett, that this Board at this stage isn't in a position to consider this case. We don't know under

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what directive we're working, and what grounds -- all we're doing is just making our own interpretation.

25X1A9a

Our compassion would tend to make us say - give him an extension, but if we had a lot of other cases-- He talks about young children but yet he talks about college -- if he actually has young children and he's talking about college for them, then one year isn't going to help a lot.

25X1A9a

I agree. That's why I said a few minutes ago that I've seen enough of these cases and can just compare them, so I have a visceral feeling that this isn't too different from other cases we have handled, so I wouldn't hesitate to move for the granting of this. But it isn't so he can educate his children, necessarily. He has a mortgage listed here and the mortgage is far more than the cost of his house. Those are some of the things we would take into consideration. He had two very recent operations, yet he did get out and contacted 13 companies trying to get a job. What you were doing when you gave an extension in the old days wasn't to try to educate children but to give a man a little more time to try to find a job. And tell him that this doesn't go on year after year after year -- "We're just being compassionate enough to give you a little longer time -- you had a long illness, two operations, a huge mortgage on your house -- we're giving you a little longer time to find something on the outside."

Now, as I say, I don't find this difficult as far as myself, because I've seen these other cases -- and this is not difficult for Paul, either -- but I think it is difficult for the rest of you who haven't had these other cases. Paul and I are trying to make this one equate with other cases we have had in the past, to keep them close together so no one can come up and say, "You have shown partiality by allowing that fellow a year -- why didn't you allow me a year in which to find a job on the outside?"

MR. WARFIELD: And the Board doesn't have to

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keep this man [REDACTED] He can go down to Murfreesboro Tennessee 25X1A6a  
and live on \$9,000.00 like a king.

25X1A9a

[REDACTED] What colleges are there in Murfreesboro?

The youngest child is 11 -- we're certainly

not going to recommend he be kept on until that child is through college!

25X1A9a

[REDACTED] No, that isn't the reason we would

do it. You know, in the early stages they used to give an extension on  
compassionate grounds, I understand, to a man who had plenty of money but  
he didn't have a hobby, and they thought - well, let's give him a year in  
which to find a hobby -- they felt that was compassionate. These were  
cited cases. But little by little it really came down to what is the  
financial status of this guy, and should we give him six months or a year?  
He would come in and ask for two years. In most cases in the earlier  
years they said - "Let me stay on until I'm 65".

25X1A9a

[REDACTED] I'd like to make a point just on Gerry's

comment to have the decision made at the lowest supervisory level. I think  
that is fine on day-to-day operations, but when you're talking about this kind  
of a situation the thing that is most important is to make it clear to all  
employees that there is impartiality, that there is equal treatment, and that  
one man at one level is not making a decision that is 180 degrees off from  
his counterpart in another office. And that is one reason the DD/I has  
taken the position that no man is indispensable. There are cases where  
from operational necessity you wish to extend, on a temporary basis, for  
cause. These can be justified in the eyes of those that are not extended.  
And that will be the policy, unless there are compassionate reasons, in which  
case it is up to the Board to decide this, because they see all cases and can  
administer a policy uniformly.

MR. WARFIELD: I think that is a very sound position to  
take.

MR. ECHOLS: How many people would have trouble

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25X1A9a [REDACTED] So that recommendation has nothing to do with what this Board wants to do. But it sounds like a good one--

25X1A9a [REDACTED] Approve him for not more than one year.

25X1A9a MR. ECHOLS: Could we say it this way: It is recommended that [REDACTED] be deferred for one year, with the expectation that he will seek and find other employment.

MR. WARFIELD: Sounds all right.

25X1A9a [REDACTED] I wouldn't leave any door ajar. I don't think I would put any qualifications on it. I wouldn't include anything that might encourage him to believe that there was just a fair chance he would get a further extension -- if it is the consensus of the Board that he should not. And I think if we say "with the expectation that he will seek and find other employment", if he doesn't find other employment he might feel that the Board had left the door slightly open for further extension.

25X1A9a [REDACTED] Let me say why I think we should leave it slightly open, even though you don't advertise it to him. We are assuming he will be as well off a year hence. Supposing he had further misfortunes and found himself infinitely more deserving of compassion a year hence than he is today -- would the Board still insist that he go out? I do not believe that we would.

25X1A9a [REDACTED] Suppose he failed to the point that he had to apply for disability retirement?

25X1A9a [REDACTED] That is another possibility.  
Ben says defer action on this case for one year, and if the man finds employment in the meantime, he will retire at that time. And that seems adequate. We are deferring action on it for one year.

25X1A9a [REDACTED] His retirement is deferred for one year.  
It isn't very well stated here by Ben.  
I think he is being purposely vague.

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MR. ECHOLS: There is some written evidence here that this man misunderstands what his annuity will be. He describes it as being only 45% of his salary, and actually it's 55% of his salary. He said it would cut off 55%, and I don't think that is correct.

Well, to get back to this recommendation -- we support this, we are in favor of granting the deferment, and it's a matter of how we word it to get the message across.

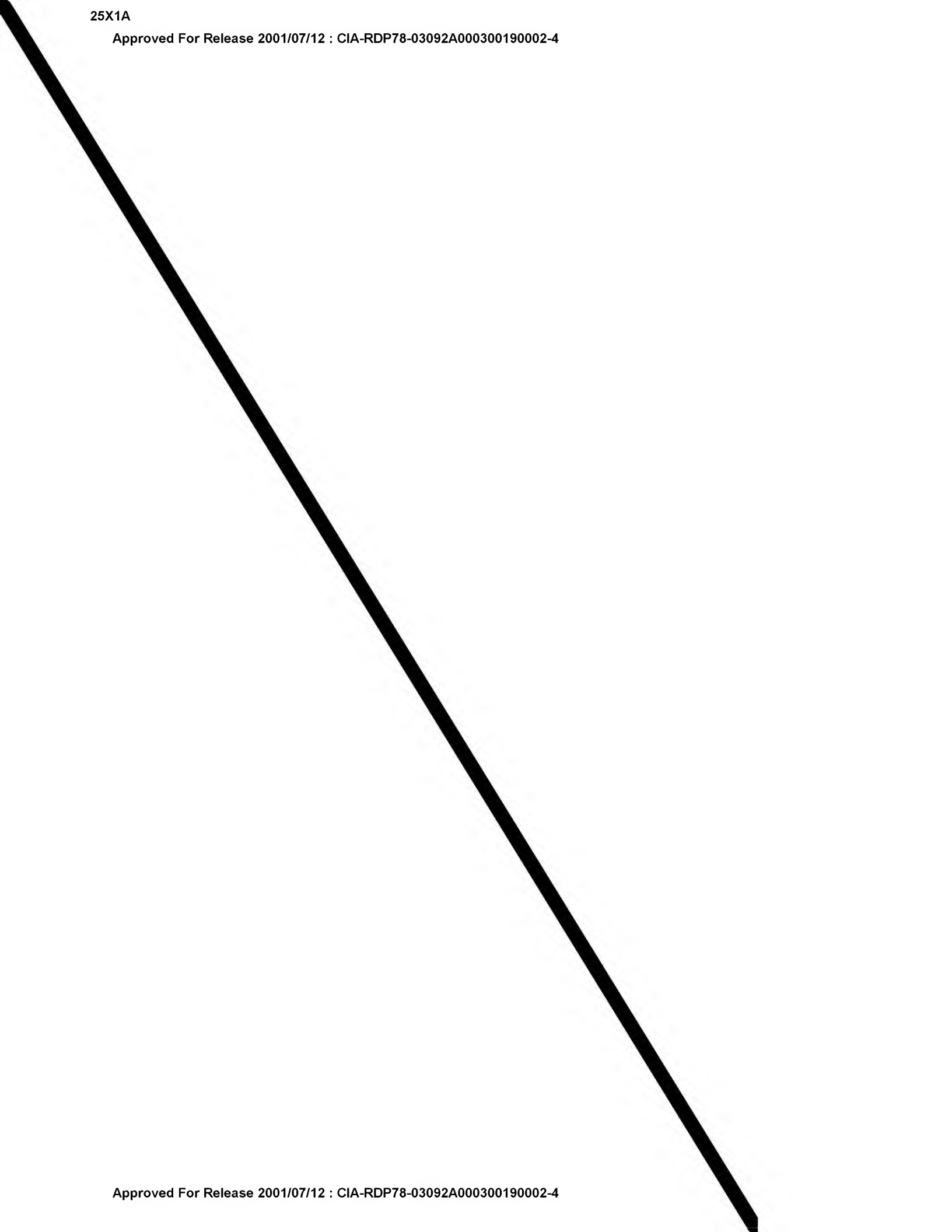
25X1A9a

[REDACTED] I would like to say, with reference to what Roger has just said, that the experience of the other Board has been that when you make it necessary for the man to come back and report his progress he gets the feeling - "They want me out, and I better just do something on my own, because if I come up the next time and there has been no evidence of my attempting to find a job on the outside, there has been bad faith on my part and the Board won't go along." I found that that has been the most useful tool that the other Board had in making the fellow realize that, "If you get another job before this time is up, you're going out -- it's a year or less, depending on when you get that job -- but we want to see that you're going to do this." I haven't seen any evidence of the fact that because he had to come back and report he felt that the door was open for him. The door is open -- just as Paul has pointed out -- if the situation is any different. But I'd be inclined to make sure that the person has kept faith with this Board by having him come forward that he is making an honest attempt in trying to find something on the outside. Because if he can't live on that salary, we can't carry him indefinitely, and he has to find something else to do, because keeping him one more year is not going to solve his problem.

25X1A9a

[REDACTED] I might say that as far as his getting the message, we have had a number of cases where people wanted to extend that we have turned down and just left up to them the option of applying as a compassionate case, and they have not done so. He is living in an

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25X1A9a has been consideration of the case [REDACTED] at the Deputy Director's level.

25X1A9a [REDACTED] I'll be glad to provide that for the Board.

MR. ECHOLS: Presumably it will be to the effect that he does not feel there is a case to extend him for need of services, in accordance with the existing Regulation.

25X1A9a [REDACTED] Right.

MR. ECHOLS: We will wait for that before we do anything on this case.

25X1A9a [REDACTED] I'll tell you what would be even more helpful on the background would be this memo that Kirk put out bringing us up to snuff on this.

MR. ECHOLS: Well, that is kind of ancient history--

25X1A9a [REDACTED] Well, it's not ancient when we've been operating under it for the last two or three years.

25X1A9a [REDACTED] It hasn't been superceded?

Not as far as I'm concerned.

I would like to make one more comment.

Other .... in terms of their retirement policies spend a great deal of effort - extensive effort - in educating their people right from the minute they enter the organization. We have not had the opportunity to do that but I think we've got to start doing that, and with special emphasis on this when they enter, and everything we can do to educate people all the way up.

25X1A9a I mean, take [REDACTED] for example, when he was age 55 if he had had adequate assistance and focus put on it, it would have been infinitely easier for him to have gotten a job at age 55 than it is at age 60 -- and it just goes down the line - the ability to change increases geometrically in relation to the degree of use that you have.

25X1A9a [REDACTED] Not that he would have had an opportunity to retire at 55, though.

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MR. ECHOLS: We are currently waiting for approval of a very extensive retiree counseling program and a greatly enhanced out-placement program, which we are itching to get rolling--

MR. WARFIELD: I don't think you can expect any wonders out of that out-placement program.

MR. ECHOLS: No, but it will provide what Gerry is asking for here, the advance help to people so it becomes a part of their conscious thinking and not something that they shove away--

25X1A9a [REDACTED] You see, your advice that the man ought to move to Murfreesboro, or wherever it was, from what I've seen in some of their education programs they start drumming on this idea very, very early, so that a man at least has one toe in another living system before

25X1A suddenly at age 62 he leaves [REDACTED] and moves to the hills, you see.

MR. WARFIELD: Or tries to stay in Washington.

25X1A9a [REDACTED] Has the Director's legal position ever been put to the test in this matter?

MR. ECHOLS: No.

25X1A9a [REDACTED] I guess you are familiar with our case in

25X1A [REDACTED] of a man whose reaction to the two year letter which he received at 60 saying he would be expected to retire at 62, was very violent. I think it came to your (indicating Mr. Echols) attention -- I think he addressed a letter to the Director and sought legal assistance to challenge it. And it really has never been decided. He becomes 62 in 1968. He got a reply but the reply did not really settle the problem, it really didn't get down to the question that he wants resolved, and that is: Does he not have a legal right to stay until he is 70 because the Civil Service Retirement System permits one to work until 70. This man has over 30 years' service now, and what he is really seeking is that maximum of 80%, or as close to it as he can get, of the high-5 pay.

MR. ECHOLS: I believe the legal answer is that we are

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not part of the Civil Service, we are an excepted service, and that the Director has the authority to separate. We would much prefer never to have to use it for that purpose.

25X1A9a [REDACTED] But no case has ever gone as far as the courts?

MR. ECHOLS: No.

25X1A9a [REDACTED] I hope this guy keeps it out of the courts, too.

MR. WARFIELD: One of them is going to hit it some day.

25X1A9a [REDACTED] Maybe it would be good to have one hit the courts and settle the thing -- have some precedents. Maybe this one would be ideal -- he's not going to plead hardship.

MR. ECHOLS: In every case where the guy has dug his heels in, he ultimately came around to realizing he wasn't really wanted and has played ball.

Well, is this subject exhausted? Any other comments? (No response.)

25X1A9a Now we have the [REDACTED] case. There are

25X1A9a two things here. No. 1, [REDACTED] volunteered to try to draft up some

25X1A9a criteria of his own. And [REDACTED] wanted to do some personal studying. Would you go ahead, Paul?

25X1A9a [REDACTED] Well, I haven't come up with anything very novel. I will say I have gone through all of these hearings - the public ones, at least - and the Regulations, to try to get a feel for what really is intended, and what is fair, in terms of one person that has a certain career history as against another that has a different one. I believe that what we look for here in the way of criteria is clear evidence in the individual's career history that he: (1) served a minimum of 60 months abroad in conducting or supporting operations; or (2) its equivalent in

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hazardous domestic service; or (3) service substantially reducing his chances to compete for employment outside the Agency. That, to me, in about as few words as I could state it, states the whole business.

Now, the tough part, of course, is the application of these criteria. I think there that you do it by in some cases construing very strictly the words of this policy "or its equivalent", and in other cases construing the thing broadly, and whether you construe it strictly or broadly depends upon whether it is the employee that is seeking a benefit or whether it is the Agency that for management reasons desires separation.

At the risk of over-simplification, I could say we have three cases. Where an employee wishes to retire and he has 60 months' overseas service, or its clear equivalent, the employee may exercise this privilege and the Board will recommend that the DCI consent -- this I would call an automatic rule. I have made statements in the past here that if the Agency wanted to retain the individual, that perhaps his request for retirement ought to be rejected, even though he had the 60 months. I no longer feel this way. Having read all of this, I feel that he has a right to ask and the Director has to have a good reason not to go along -- and if he has a good reason he can probably persuade the individual that it is a good reason and he would withdraw his application. So I would call for a strict construction where an individual has the 60 months overseas, or its clear equivalent -- and that is still a little muddy there -- and we would automatically-- In fact, I don't know that the Board would even have to consider such cases.

Now, another situation where I would strictly construe matters is where the employee wishes to retire and management has indicated its ability or willingness to continue using the employee, then the Board will reject the employee's application in the absence of 60 months' overseas service or its equivalent. And here again, pretty much unanimity of the Board would be called for here as demonstration that the individual did or

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did not have the 60 months overseas or its clear equivalent. I think a test of these cases is how convincing is the domestic service - how convincing is it that this is equivalent to overseas service? Everything I read here points to overseas service. When it talks about supporting clandestine operations, I read this as support overseas of a clandestine operation conducted overseas, and so I would construe very strictly what happens here at Headquarters.

Now, in the middle you have a case where the employee does not wish to retire but management desires his separation. Now, in keeping with the spirit of the law and regulations I would say the Board will view the entire record for evidence supporting management's objective, and whether or not you reach such a decision, I would put that on sort of the majority rule of the Board. So, in the one case I would have an automatic rule -- where the man wants to retire and he earned the clear right to do so, automatically recommend to the Director that he go -- and in the other case, where the man wants to retire and management says - "Well, this is a good man - I can use him - I don't really want to lose them" - we reject the application unless he has got the 60 months' overseas service or its clear equivalent. And the one in the middle, where the employee does not wish to retire but management desires his separation, then we look at the record for any evidence that we can possibly construe in support of management's desire -- because the intent of this is to use this in part as a management tool in support of keeping the Agency young. Well, that is about it.

MR. ECHOLS: Comments?

25X1A9a [REDACTED] Well, I think Paul said it all right, but the "clear equivalent" is still the hairy area. You have addressed yourself to two out of three, really - haven't you, Paul? - the strictly hazardous duty and the work that would make it difficult for you to find other employment.

25X1A9a [REDACTED] Those are my only two. I have no other.

MR. WARFIELD: Yes, but Paul has given you motives

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for considering it -- you are motivated to support management or you're not--

25X1A9a

[REDACTED] I agree in that sense it probably sharpens it -- but still, we're faced with the case where if the person wants out and management is sort of with them, now you are not indicating that we reach, too much, to find the equivalent service then?

25X1A9a

[REDACTED] No, I say you look at the whole record and you support it. But where you have a case where management has gone on record saying, "This is a wonderful employee and we would have no trouble finding a place to use him -- he would have been used overseas but we had to keep him here because he was too indispensable" -- well, I'd say that is all part of the game -- there's no clear equivalent of overseas service, and there is no management evidence that it is to the Agency's interest to separate this individual, and therefore the individual does not qualify for this System.

MR. ECHOLS: I think I would have to subscribe to everything Paul said there, in terms of my own experience with this law.

25X1A9a

[REDACTED] I went through much the same process of trying to go back and get a feel from the proceedings as to what the intent was, and I come out with much the same sort of thing as Paul has - the implication very clear that it is overseas activity, not merely support from here of overseas activity, and so on. It is in fact fairly broad, because it does say someplace in here (indicating Committee hearings) that it is intelligence activities abroad and it isn't limited to the Clandestine Service type thing at all -- and we in fact in our interpretation have gone this route

STATSPEC by including [REDACTED] and other places where the actual focus of the activity was abroad -- but there are passages in here, I think, that might make it quite clear that it was Congress' understanding that this was to be activity abroad.

25X1A9a

[REDACTED] One thing that puzzles me a little bit is why the people who carried on the negotiations with Congress don't feel that way - i.e., the General Counsel's Office.

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I think the Director can do anything he wants, but I think we've got to have something more manageable in the way of interpretation. And I think in viewing some of these cases broadly, that I spoke of as construing the whole record when management wishes to separate an individual, then is when you can have some latitude in deciding that he has had equivalent service substantially reducing his chances to compete for employment outside the Agency.

MR. ECHOLS: I have always felt that this would have to be limited to cases where the predominant motive, if you will, underlying the separation was management initiated --

25X1A9a [REDACTED] Right.

MR. ECHOLS (Continuing): -- predominantly management interests -- which is the stumbling block in the [REDACTED] case.

25X1A9a [REDACTED] I wonder if I could just read this very short passage here which I think is the most relevant here -- and I may be accused of lifting things out of context, but it is in a part of the hearings where the concern is with the numbers who are taken into the System.

(Reading) " Mr. Stratton: You have a particular category. The number of people that are in this category is known. It is a reasonably fixed number. And unless some shenanigans, that isn't going to be changed without some considerable knowledge of that fact; is it?

General Carter: Well, some of the people, sir, even in that career service may never become involved in the type of activity for which this special retirement act is requested. Some of them may never.

On the other hand, we also have officers--

Mr. Stratton: I don't understand that. Some people in this particular service may never become eligible for the type of coverage.

General Carter: Yes, sir.

Mr. Helms: May I explain this, Mr. Stratton?

(Deleted.)

Some analysts will probably never go overseas and will never live a life any different from any other civil service employee, even though they work in that career service and support that service they would not be entitled to the benefits under this retirement system. "

It seemed to me that that read very directly on the sort of thing that we're talking about.

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MR. ECHOLS: That was Helms?

25X1A9a

[REDACTED] That was Helms.

Now, at other times they indicate they want to give the Director a good deal of discretion in this, but I think the atmosphere there, then, was that in these cases where it would be to the Agency's benefit to retire somebody, that is when the discretion was really called for. But the general tenor I think was as Paul indicated here.

MR. ECHOLS: Gerry, is there any course of action you would like to see taken on this case?

25X1A9a

[REDACTED] Mike, didn't you want to submit something?

[REDACTED] I have something here, yes. But I feel very much like Paul and Karl feel about this thing, but I'm always hung up when I come back to the Act and discuss it with John Warner. What kind of a case are we talking about when the Act itself says: and so specialized because of security requirements as to be clearly distinguishable from normal Government employment. Because the Act gives us only two cases. The first one is obviously talking about activities abroad - hazardous to life and health; and the second one is the one I mentioned. Now it's really that second one that we've got to try to determine what was intended. I've discussed this maybe four or five times with John Warner, and I believe I'm correct in saying, if I interpret him correctly, he says: Well, maybe it's not necessary to actually do duty overseas if the man has to operate here, as this section calls for, so specialized because of security requirements as to be clearly distinguishable from normal Government employment.

MR. ECHOLS: Well, I would have to amplify the law, Mike, with the Regulations which, as you will recall, we were required to submit back to the members of Congress and which were studied by their lawyers and, in addition, external lawyers. Our Regulations amplify that statute and clearly bring out three types of duty that might be qualifying.

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And I don't think you can go back to the law and say - "Well, this is very loose, and vague, and general" - when in fact the Regulations are far more specific, you must go by the Regulations.

25X1A9a [REDACTED] I appreciate this -- I agree that we have gone further and have tried to explain these two sections in our Regulation, but we still find ourselves hung up on 11(c), don't we?

25X1A9a [REDACTED] And the only thing accepted there are the kind of graphic cases that don't require much interpretation, I think -- under 11(c) -- the explosives expert and so on.

25X1A9a [REDACTED] 11(c) we have been told was only for those cases where there was a voluntary or involuntary retirement pending.

MR. ECHOLS: But if we give 11(c) the broadest treatment this would literally mean that any individual not in the System, who didn't have 60 months of qualifying service or 60 months of hazardous, equivalent service in the United States, if he had been doing esoteric work of some kind in the intelligence business here at Headquarters could step up at age 50 and with ... years of service and ask to be retired and to have his service creditable under 11(c). And under this kind of a situation I think we would be (denying) everything we said about the limited number of people, and the fact that Congress put a numerical ceiling on this, which implies a very tight, reasonably controlled situation.

25X1A9a [REDACTED] Well, in the case that brings all this up I don't think 11(c) is being cited, is it?

MR. ECHOLS: That's the only basis. She does not have the overseas service, she has no equivalent service -- she must have 60 months of qualifying service and it can only be found under 11(c).

25X1A9a [REDACTED] There is no case for that, is there?

MR. ECHOLS: Sure, her duties have been involved in--

25X1A9a [REDACTED] Then we're full circle, because that is like [REDACTED] other people in Headquarters.

25X9A2

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young people on up. Does this change any of this? You still have to give her qualifying service under 11(c).

MR. ECHOLS: Well, it reinforces the case against being used as a precedent for [REDACTED] other cases." 25X9A2

25X1A9a [REDACTED] I'd like to see -- if there's not going to be a fight between them, I'd like to see Larry Houston and John Warner come before this Board and this Board put to them all the questions we can conceive of. Because we are going to continue to have this problem with this unless we are satisfied the law is what they say it is or isn't what they say it is, so that there is some room for maneuvering or interpretation by this Board.

MR. WARFIELD: You will not get any unequivocal statement out of them.

25X1A9a [REDACTED] We were told they would welcome the opportunity to discuss cases on a case-by-case basis. You remember? - we had this paper from - what was his name? Anyhow, Warner answered to us, some time ago, and all that said, in effect, was that it was intended that domestic duty could be qualifying duty -- and he wrote that one up very carefully, and, as I remember his concluding statement, "We would welcome the opportunity to discuss further with you how the term 'qualifying service' as defined in Agency regulations can be applied to specific cases." I think we ought to have some specific cases to put to these gentlemen -- and we've 25X1A9a had a few now - we've had the [REDACTED] case and we've had this case -- and just see how they interpret what type of domestic duty equates foreign service duty.

MR. ECHOLS: I think the answer will be this, Mike. This is not a legal matter, as I see it -- this is an administrative problem. The law and the Regulations I think are sufficiently loose so that this is not a legal question whatsoever. It is, rather, a practical matter of administering the Regulation within the general intent which we have set forth and in a way

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in which we can live with it.

25X1A9a

[REDACTED] Well, general intent -- I think you have answered a little of it, but I think some of this we should get from them.

25X1A9a

[REDACTED] This is the kind of thing we ought to come up with ourselves.

25X1A9a

[REDACTED] Larry Houston says the facts as outlined

25X1A9a by [REDACTED]

might well be considered as falling within the quoted definition -- and he concurs.

MR. WARFIELD: But he goes on to say, "This is a

matter of judgment, however. It is for questions such as these, among others, that the Retirement Board was created, and I would recommend

25X1A9a the [REDACTED] case be referred to the Board for action."

MR. ECHOLS: And there is the problem.

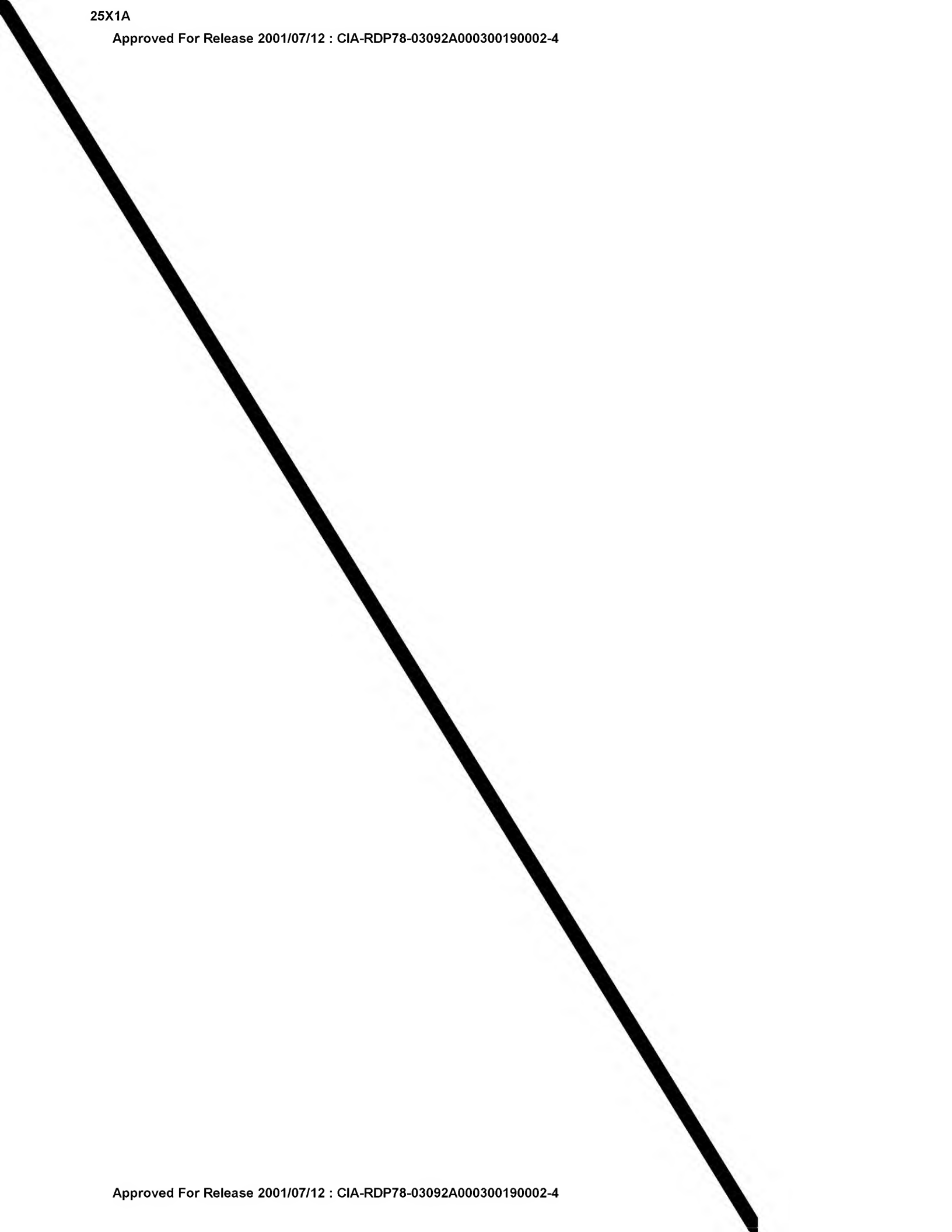
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[REDACTED] says this: "The nature of her work has been such as to place her at a distinct disadvantage in obtaining other employment as the skills and knowledge it required are unique to the clandestine activities of CIA and are not in demand elsewhere, and are so highly classified that her experience cannot be described in sufficient detail to demonstrate her qualifications adequately to a prospective employer."

That, to me, puts her in the 11(c) category -- but the 11(c) category is a category we had previously agreed would be principally used for these rare cases of involuntary retirement. This case is sort of half way between -- it's a little of each -- and therefore I think - as you suggested, Emmett - that a statement from the DD/P as a manager, as to his view in this case, would be useful in our deciding whether this had enough of the involuntary, management tool aspect to it to warrant permitting her - well, really to retire -- she is coming into the System to retire.

MR. ECHOLS: One little point on this, though. The circumstances contemplated by 11(c) will never arise with respect to this

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some plausible explanation why discontinued service is being brought into the matter here.

MR. ECHOLS: That would be my interpretation.

Shall we invite the General Counsel to attend our next meeting so we can discuss this very point with him?

25X1A9a

[REDACTED] Yes. I think we are going to

continue to run into trouble unless we try to come to grips with whether the functions being performed by the individual sitting at a desk back here --

25X1A9a

like the [REDACTED] case -- equate let's say foreign duty because the individual is directly involved in clandestine activities or in the direction of clandestine activities overseas. I think that question has to be decided. Because if you can decide that one, that it's not like the analyst or the records officer that Dick Helms talked about - the Director talked about to Congress, or the researchers -- he said that even in the covert service not everyone will be considered for this System. We have still got to find the type of functions or the approximate type of functions that that person would be performing vis-a-vis the overseas functions, to allow him to be credited with that service. Otherwise we would say every time you just want to separate a guy just apply 11(c), without paying any attention to what his functions are.

MR. ECHOLS: Could I invite all of you to prepare specific questions you would like to ask our legal advisers so we can get them nice and crisp and sharp -- not necessarily in writing, but so you yourself can pose the question.

25X1A9a

[REDACTED] Do you think that the time served overseas will eventually become significant to us? In other words, there are words here - "a significant portion was served overseas." The Director is known to have said, "I'm not going to stop anybody for lack of a few months." Is it possible that we may eventually come up with that they must have done at least one tour of duty overseas, or--

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MR. ECHOLS: I don't know.

25X1A9a

[REDACTED] Yes, that's the type of thing -- or whether it's a combination of overseas duty and Headquarters duty and the Headquarters' duties be in support or direct support of operations abroad -- whether that type of case, if you're going to apply 11(c), is the type of thing we're talking about.

25X1A9a

[REDACTED] I think what we miss here is not that we define precisely the operation but what disadvantages to the individual, because of the performance of these duties, qualified him to get special consideration. It seems to me if you look at the whole work history and find out what impact this would have on their being able to secure outside employment, or on their being retained as against being separated, then you could come to grips with the case. And no amount of pre-determination as to whether a particular slot qualifies as domestic qualifying service or not, is ever going to answer our questions. I don't think we're going to get a lot out of talking to the General Counsel.

25X1A9a

[REDACTED] I don't think so either.  
It is our job to study and come up with recommendations, and where we feel there are legal implications then we bring the legal counsel in. And I would think that our role would be quite different from that of Mr. Helms, where he should feel free to depart from certain standards that we impose upon ourselves in making recommendations to him in administering this System equitably.

25X1A9a

[REDACTED] There is another little question that bothers me slightly here. If this is an 11(c) case and she is at a distinct disadvantage after retiring because of the nature of her work and her duties, and her inability to cite them and get employment -- possibly she isn't even seeking employment -- and how relevant is this if she is not seeking employment?

25X1A9a

[REDACTED] I would like to ask Paul this one --

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which touches on that one, Roger. Paul, under the statement that you made, if the Career Service wanted to separate - in other words, to use ll(c) as the tool here, how would you look at the functions she performed? - or would you? Here the Career Service wants to separate, but if the Career Service wants to use this as a tool -- as we have said all along and we argued for before Congress -- how would you look at her services, her specific functions as described here?

25X1A9a [REDACTED] Well, I think it comes pretty close to putting her in.

25X1A9a [REDACTED] In other words, you could reconcile that because she was in support of clandestine operations--

25X1A9a [REDACTED] Well, I don't know that that particular phrase would carry it -- but the very fact that she was about 100% of her time so close to the field and her duties were such that it didn't really give her a broad opportunity to develop talents that would be useful outside -- both (separate and distinct) from normal Government employment, as the words go in the Act, I guess-- Well, I'd have to take another look. Where I stumble on this is the fact that there has been no evidence that management seeks separation here for the good of the Service. Therefore we are not at liberty to consider the record broadly but we ought to construe it narrowly.

25X1A9a [REDACTED] Then we would have to change that one interpretation of ll(c) - voluntary retirement--

25X1A9a [REDACTED] Mike, you're not talking about the truly involuntary separation. Aren't you talking about mutually agreed voluntary--

25X1A9a [REDACTED] Well, no. Let's take the case of where the Career Service wants to get rid of a person--

25X1A9a [REDACTED] I don't think it matters whether the person says, "Yes, I will go" or "No, I don't want to go." I think you look

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and has had ten years with the Agency.

3. The proposed retiree has signed a written obligation to serve anywhere and at any time according to the needs of the Agency.

4. Failure to earn qualifying service through duty abroad has not been due to the proposed retiree's reluctance or refusal to respond to requests that he serve abroad but, rather, due to the decision of proper authority.

5. The proposed retiree's career has been predominantly concerned with the conduct or support of clandestine intelligence operations.


6. At least a major part of the individual's career advancement can be attributed to his increasing expertise and involvement in clandestine intelligence operations.

7. There is clear evidence in the proposed retiree's career history that he has acquired a minimum of 60 months of qualifying service through a combination of overseas and domestic assignments both related to 5 and 6 above.

Now, 5, 6, and 7 here all deal with the fact that whatever functions that person is performing here at home are in direct support of clandestine operations abroad -- which I felt was the theme that was running through our presentation to Congress. And on these three I don't claim any authorship -- these latter three I picked right out of Emmett's criteria.

MR. WARFIELD: Mike, I think that was well stated, except on that voluntary or involuntary -- .... if by involuntary it has been suggested by the Career Service--

25X1A9a

 or management-initiated, or something.

Then that would take care of the point that Roger was making a few moments ago, that it would look like 11(c)

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can continue to use this person? Now we're just taking a step further.

. . . The meeting adjourned at 3:45 p.m. . . .

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